

SYN. NO. _____

AGN. NO. _____

MOTION BY SUPERVISOR ZEV YAROSLAVSKY

SEPTEMBER 20, 2005

The County owns a 27,024 square-foot medical clinic building on 59,024 square feet of land located at 5205 Melrose Ave., Los Angeles (Property) a portion of which is considered surplus to any present or foreseeable County needs. A portion of this building is used as an outpatient health center operated by The Los Angeles Free Clinic (LAFC), a non-profit corporation, under a Public-Private Partnership (PPP) agreement. The remainder of the building is used by the Department of Health Services (DHS) for public health purposes.

The Los Angeles Free Clinic wishes to expand its services to the uninsured and underinsured in the Hollywood-Wilshire area by utilizing a larger portion of the clinic building. LAFC currently occupies 3366 sq. ft. in the building and wishes to expand into an additional 2188 sq. ft. of the surplus space. LAFC will build out and furnish the space utilizing \$500,000 in privately-raised funds, creating a new Children's and Family Health Center that will provide medical and dental services and health education classes on chronic disease management. The expansion will enable LAFC to provide an additional 20,000 annual visits by low income, primarily uninsured residents. The Los Angeles Free Clinic proposes to operate the subject health center as an outpatient clinic providing services deemed appropriate by DHS to meet the needs of the surrounding community in exchange for a 40 year full service lease for a total of 5554 sq. ft. at a monthly full service

MOTION

BURKE	_____
YAROSLAVSKY	_____
KNABE	_____
ANTONOVICH	_____
MOLINA	_____

rent of \$3370 beginning in the year the new Children's and Family Health Center begins operation and subject to cost escalators appropriate to the nonprofit nature of the service provider. The County will reserve the right to take back the property in the event that The Los Angeles Free Clinic fails to operate the property as an outpatient health center for low income residents or if the property is destroyed or for any other reason becomes economically unviable for the County to operate.

The Los Angeles Free Clinic is recognized as a 501(c)(3) organization in compliance with Internal Revenue Code regulations.

**I, THEREFORE, AS AUTHORIZED BY GOVERNMENT CODE SECTION 26227,
MOVE THAT THE BOARD:**

1. Find that the leased premises is surplus to and not needed for any present or foreseeable County needs or purposes and that the lease terms set forth below are in the best interest of the County and general public; .
2. Find that the lease is categorically exempt from CEQA and pursuant to Class 12 of the County's Environmental Document Reporting Procedures and Guidelines.
3. Find that the health care services provided by The Los Angeles Free Clinic to the local community are necessary to meet the social needs of the population of the County and serve public purposes which benefit the County.
4. Approve a 40 year full service lease of 5554 sq. ft. of space to The Los Angeles Free Clinic for an initial rent of \$3370 per month beginning in the year the new Children's and Family Health Center begins operation, subject to cost escalators appropriate to the nonprofit nature of the service provider, in exchange for The Los Angeles Free Clinic's commitment to provide the funds, staff and management to

operate a health clinic at the subject property; subject to the condition that the property will be used continuously and exclusively for outpatient health care purposes for the poor. The property and services shall be equally open and available to residents of incorporated and unincorporated territory, and there shall be no discrimination against or preference, gratuity, bonus or other benefits given to residents of incorporated area not equally accorded residents of unincorporated territory. In the event that The Los Angeles Free Clinic does not comply with operating continuously and exclusively an outpatient health clinic for the uninsured and underinsured population at the subject property then the lease will terminate.

5. Authorize the Chief Administrative Office (CAO) to negotiate terms of the lease and execute a 40 year lease incorporating the terms herein and those reasonably determined by the CAO to be included in a lease of this nature, subject to approval as to form by County Counsel.
6. Instruct the CAO to finalize the terms of the lease as soon as possible, but no later than November 1, 2005.

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